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INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE PRIORITY

RUCNCIS/CIS COLLECTIVE PRIORITY

RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY

RUEHAK/AMEMBASSY ANKARA PRIORITY 4826

RUEHBJ/AMEMBASSY BEIJING PRIORITY 2608

RUEHKO/AMEMBASSY TOKYO PRIORITY 2473

RUEHIT/AMCONSUL ISTANBUL PRIORITY 3070

RHMFUU/CDR USCENTCOM MACDILL AFB FL PRIORITY

RUEAIIA/CIA WASHDC PRIORITY

RHEFDIA/DIA WASHDC PRIORITY

RUEKJCS/JOINT STAFF WASHDC PRIORITY

RHEHNSC/NSC WASHDC PRIORITY

RUEKJCS/SECDEF WASHDC PRIORITY

RUCPDOG/DEPT OF COMMERCE WASHDC PRIORITY

RUEATRS/DEPT OF TREASURY WASHDC PRIORITY

RUEHRC/DEPT OF AGRICULTURE WASHDC PRIORITY

UNCLAS SECTION 01 OF 03 ASHGABAT 000211

SENSITIVE

SIPDIS

STATE FOR SCA/CEN, EEB

E.O. 12958: N/A

TAGS: [SOCI](#) [ECON](#) [TX](#)

SUBJECT: TURKMENISTAN: THE STATE OF HEALTHCARE UNDER
BERDIMUHAMEDOV

11. (U) Sensitive but unclassified. Not for public Internet.

12. (SBU) SUMMARY: The Turkmen Government has introduced a service-for-fee scheme in the medical industry with a view towards gradual commercialization of the public healthcare sector. It is attempting to keep the free health services guaranteed under the State Fund for the Development of Public Healthcare to a minimum, because the State Fund lacks the resources to support these services. In order to cope with costly operational expenses, state-managed hospitals encourage their patients to use the hospitals' commercial services. In addition, hospital staff reportedly supplement their low wages with cash "thank you" gifts collected from their patients. While the Government promotes use of several newly constructed Western-style hospitals -- with newly (but poorly) educated doctors and nurses -- locals prefer to use Soviet-era hospitals whose staff were educated during the Soviet period as well. Most of Turkmenistan's population still suffers the effects of former President Niyazov's decision to leave only one hospital in each provincial capital. President Berdimuhamedov's efforts to improve public healthcare services consist of investing in physical structures and state-of-the-art equipment, but suffers from a lack of medical training. Legalizing the private practice of medicine would lead to competition between the state institutions and the private sector, and bring about an overall improvement of the quality of patient services. END SUMMARY.

STATE AGENCY GUARANTEES EQUAL ACCESS TO AFFORDABLE HEALTHCARE

13. (U) The Turkmen Government established the State Fund for the Development of Public Healthcare (State Fund) in 1998 to provide equal access to state medical services and to make healthcare more economically efficient. It finances the healthcare sector using a "mixed model," which utilizes financing from the state budget as well as medical insurance deposits of the insured. In 2007, the Ministry of Healthcare and Medical Industry claimed that 88 percent of the population (4,130,000 citizens) -- including family dependents -- were covered by the Government's health insurance plan. In addition to medical insurance deposits, deductions from paid medical services, sanitary certifications and licensing of pharmaceuticals fund the State Fund. While the State Fund is used to purchase basic medicines and to maintain the country's medical

facilities, its resources are insufficient to support the minimum services that the state guarantees to all citizens free of charge.

BASIC SERVICES FREE OF CHARGE SINCE 2004

14. (SBU) A decree in January 2004 authorized the Ministry of Healthcare and Medical Industry to provide medical services on a fee basis. Among the free services guaranteed to citizens are emergency medical aid, maternity and post-partum care, pediatric care, and drug and alcohol rehabilitation, oncology, tuberculosis, endocrinology and psychiatric services. A proposed reform would release state funds to maintain basic no-cost services and introduce a fee-for-service scheme for the majority of specialized services.

WHAT ARE "BASIC SERVICES?"

15. (SBU) Basic hospitalization charges guaranteed to citizens are limited to a shared hospital room with no amenities. Anything beyond this requires payment of fees preset by the Ministry of Healthcare and Medical Industry. If a patient's condition is serious and requires hospitalization, basic medical services, including a ten-day hospital stay, consultations with a specialist, basic diagnostics, and treatment costs 400 manat (\$140) at a minimum, excluding the cost of medicines.

HOSPITALS FORCED TO FIND WAYS OF INCREASING REVENUE

16. (SBU) Financial constraints -- especially increasing operational expenses -- have forced some state-managed hospitals to make their free services available only to residents of that district or to cut them altogether. A relative of one of Post's local employees paid

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400 manat (\$140) for obstetric services because the hospital in her neighborhood where she was entitled to free services was closed for sanitation, and the one she had to use charged her as a non-registered patient. Another local employee paid 1,200 manat (\$420) to an emergency hospital for her son's trauma treatment because the hospital's administration told her that they provide free emergency service only for the first three days. Emergency patients who lack the means to pay often leave the hospital without having fully recovered. State-managed hospitals also encourage patients to use their commercial services -- meals and a room with conveniences such as personal toilet, wash stand, air conditioner and a refrigerator -- as it is profitable for the hospitals.

STATE INSURANCE PROGRAM PROMISES LOTS, BUT DELIVERY IS NOT GUARANTEED

17. (SBU) Patients enrolled in the state-managed health insurance program are eligible for a 90 percent discount for medicine at state-run pharmacies and a 30 percent discount for medical services provided by state-run hospitals. The list of medicines, which the Ministry of Healthcare and Medical Industry periodically reviews, includes basic antibiotics, cardiac medicine, and vitamins. In reality, however, those pharmacies do not maintain a large supply of these medicines on hand and patients are often forced to purchase necessary medicines at full price from commercial drug stores.

GOVERNMENT PREFERS NEW FACILITIES, BUT LOCALS FLOCK TO SOVIET-TRAINED DOCTORS

18. (SBU) Major healthcare institutions, including the new Western-type hospitals such as the cardiological clinic, a hospital and diagnostic center for kidney diseases, and old Soviet-era clinics for trauma, infectious diseases, maternity and pediatrics, emergency aid, tuberculosis, and neurology, are located in Ashgabat. Construction of new Western-style hospitals is a priority for the Government, which provides ample funding to equip the facilities with modern medical equipment. However, the current staff of those hospitals -- which was trained during the Niyazov era -- is undereducated and requires intensive professional training. The Government financially neglects unfashionable Soviet-era clinics by not providing funds for their maintenance and modernization, and forcing them to survive through self-financing, such as selling

commercial services. In spite of the financial hardships that have resulted from these policy decisions, local residents prefer to be treated by the old corps of medical specialists who were trained prior to Turkmenistan's independence and who continue to work for the old clinics.

RURAL POPULATION STILL CUT OFF FROM MEDICAL CARE

¶9. (SBU) In an effort to reduce budget expenditures for public healthcare, former President Niyazov ordered closure of all village hospitals -- leaving one hospital in each provincial capital -- in January 2005. In response to international criticism for the hospital closures, President Berdimuhamedov ordered that all village hospitals were reinstituted in March 2007. However, Turkmenistan's rural population has limited access to state healthcare services due to poverty, remoteness of medical facilities, poor infrastructure in outlying areas, and inability of rural hospitals to address serious medical conditions.

BIBES EXPECTED; CASH OR LIVESTOCK ACCEPTED. DOLLARS PREFERRED.

¶10. (SBU) In addition to regular billable charges for services such as diagnostics, consultations, and basic medicines required for treatment, and a room -- which costs at a minimum 400 Manat or \$140 -- doctor and nurses expect cash gifts from hospitalized patients. Depending on the seriousness of the patient's medical condition, the amount of the cash gift ranges from \$50 to \$100 for doctors and from \$10 to \$30 for nurses. Historically, this act was not considered as a bribe but as a "thank you" gift in the local culture, and was not

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always paid in cash. (NOTE: Rural patients normally gave gifts such as sheep, goat, chicken, fruits, and vegetables. END NOTE). Due to emerging market trends over the past fifteen years, medical personnel expect thank you gifts of cash, preferably U.S. dollars.

¶11. (SBU) COMMENT: Public healthcare quality remains low, despite the Government's multimillion dollar investments in the construction of modern Western-style hospitals because President Berdimuhamedov's efforts to improve services in this sector -- like in every other state-managed sector -- consist solely of investments in physical structures and state-of-the-art equipment, but lack fundamentals like medical training. Turkmenistan is also refusing to legalize private medical practice, which would lead to competition between the state-managed and private sector and result in improvement of the quality of patient services. Berdimuhamedov's ten years of experience as Minister of Healthcare and Medical Industry gives him a unique insight into problems in the sector, but a lack of political will to undertake fundamental changes will continue the ineffective but safe pattern of "reform" developed by his predecessor, especially in the provinces. END COMMENT.

MILES